Service Date: November 22, 1983

DEPARTMENT OF PUBLIC SERVICE REGULATION BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MONTANA

* * *

IN THE MATTER Of The Application Of MOUNTAIN STATES TELEPHONE AND TELEGRAPH COMPANY (MOUNTAIN BELL) For Authority To Implement Tariff Revisions Allowing Resale Of Local Exchange Service.

VTILITY DIVISION
DOCKET NO. 83.9.66
DEFAULT ORDER NO. 5030

/83-47

On September 2, 1983, Mountain States Telephone and Telegraph Company (Mountain Bell) filed a request with the Montana Public Service Commission (Commission) for authority to implement tariff revisions which allow resale of local exchange service. The existing tariff allows reselling only upon consent of Mountain Bell.

In addition to requiring the designation of Resale Service Areas, the proposal's primary features include: 1) precluding flat rate service to resellers, 2) providing message measured business rates to resellers, and 3) providing cost-plus based prices for any service provided by Mountain Bell within the Resale Service Area.

Having considered the application and the documentation furnished by Mountain Bell in support of its application, the Commission makes the following Findings of Fact and Conclusions of Law:

FINDINGS OF FACT

1. A Notice Of Opportunity For Public Hearing was issued on September 28, 1983. The notice was published in the Billings Gazette, Daily Chronicle, Montana Standard, Great Falls Tribune, Ravalli Republic, Havre Daily News, Independent Record, Livingston

Enterprise, Miles City Star, and Missoulian. The notice stated that if no hearing was requested by November 7, 1983, an appropriate order may be issued based upon evidence submitted with the application.

- 2. No request for a hearing was received and no hearing was scheduled.
 - 3. Mountain Bell has stated that:

"Rapidly evolving technology has created the potential for sharing or re-selling intercom and exchange services. Customers with few telephones but sophisticated needs may enjoy the advantages offered by large switches through re-sale or added telecommunications services provided by a developer, or landlord, who may improve occupancy rates. These and other factors suggest that re-sale is a growing market phenomena. (L. F. Marquardt, September 2, 1983)."

4. The Commission finds that the Mountain Bell proposal enhances customer choice by providing re-selling options to customers. The Commission also finds that the Company's rate proposal adequately reflects cost-of-service.

CONCLUSIONS OF LAW

- 1. Mountain Bell furnishes telephone service within the State of Montana and is a "public utility" under the regulatory jurisdiction of the Montana Public Service Commission. MCA 69-3-101.
- 2. The rate levels approved herein are reasonable and just. $MCA\ 69-3-330$.

ORDER

1. IT IS HEREBY ORDERED that the tariff revisions proposed

on September 2, 1983 are approved.

2. These tariff revisions are effective for service rendered on or after November 21, 1983.

DONE IN OPEN SESSION at Helena, Montana this 21st day of November, 1983 by a 5-0 vote.

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BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION.

Thomas J. Schneider, Chairman

John B. Driscoll, Commissioner

Howard L. Ellis, Commissioner

Clyde Jarvis, Commissioner

Danny Oberg, Commissioner

ATTEST:

Madeline L. Cottrill Commission Secretary

(SEAL)

NOTE: Any interested party may request the Commission to reconsider this decision. A motion to reconsider must be filed within ten (10) days. See 38.2.4806, ARM.